

**THIRTY-NINTH JUDICIAL DISTRICT
COURT EXPENSE FUND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2013**

THIRTY-NINTH JUDICIAL DISTRICT COURT EXPENSE FUND
COUSHATTA, LOUISIANA
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JUNE 30, 2013

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Accountant's Compilation Report

Honorable Lewis Sams, Judge
Thirty-Ninth Judicial District Court Expense Fund
P.O. Box 401
Coushatta, Louisiana 71019

We have compiled the accompanying financial statements of the Thirty-Ninth Judicial District Court Expense Fund, Louisiana, as of and for the year ended June 30, 2013, which collectively comprise the Fund's basic financial statements as listed in the table of contents. We have not audited or reviewed the accompanying basic financial statements and, accordingly, do not express an opinion or provide any assurance about whether the basic financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statement on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The accompanying supplementary information schedule listed in the table of contents is not a required part of the basic financial statements but is presented for purposes of additional analysis. Such information has been compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

Management has not presented the management's discussion and analysis information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

We are not independent with respect to the Thirty-Ninth Judicial District Court Expense Fund.

Hines, Sheffield & Squyres

Natchitoches, Louisiana
September 27, 2013

EXHIBIT A

THIRTY-NINTH JUDICIAL DISTRICT COURT EXPENSE FUND
COUSHATTA, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2013

ASSETS	
Current Assets	
Cash	\$ 40,403
Accounts receivable	<u>3,000</u>
Total Current Assets	43,403
Noncurrent Assets	
Capital assets, net	<u>1,803</u>
Total Assets	<u>\$ 45,206</u>
LIABILITIES AND NET POSITION	
LIABILITIES	
Current Liabilities	
Accounts payable and accruals	\$ <u>505</u>
Total Current Liabilities	505
Noncurrent Liabilities	
Compensated absences payable	<u>0</u>
Total Liabilities	505
NET POSITION	
Investment in capital assets, net of related debt	1,803
Unrestricted	<u>42,898</u>
Total Net Position	<u>44,701</u>
Total Liabilities and Net Position	<u>\$ 45,206</u>

The accompanying notes are an integral part of this statement.

THIRTY-NINTH JUDICIAL DISTRICT COURT EXPENSE FUND
COUSHATTA, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Expense</u>	<u>Fees, Fines, and Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contribution</u>	<u>Revenue and Changes in Net Position</u>
General Government					
Personal services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Travel	1,547	1,438	0	0	(109)
Operating services	12,376	11,500	0	0	(876)
Supplies	2,416	2,245	0	0	(171)
Professional services	2,500	2,323	0	0	(177)
Depreciation	1,796	0	0	0	(1,796)
Total General Government	<u>\$ 20,635</u>	<u>\$ 17,506</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>(3,129)</u>
General Revenues					
Interest income					7
Transfers (Red River Parish Police Jury)					<u>(27,000)</u>
Total General Revenues					<u>(26,993)</u>
Change in Net Position					(30,122)
Net Position, Beginning of year					<u>74,823</u>
Net Position, End of year					<u>\$ 44,701</u>

The accompanying notes are an integral part of this statement.

THIRTY-NINTH JUDICIAL DISTRICT COURT EXPENSE FUND
COUSHATTA, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

ASSETS

Cash	\$ 40,403
Accounts receivable	<u>3,000</u>
Total Assets	<u>\$ 43,403</u>

LIABILITIES AND FUND BALANCES

LIABILITIES

Accounts payable and accruals	\$ 505
Total Liabilities	<u>505</u>

FUND BALANCES

Unassigned	<u>42,898</u>
Total Fund Balances	<u>42,898</u>
Total Liabilities and Fund Balances	<u>\$ 43,403</u>

THIRTY-NINTH JUDICIAL DISTRICT COURT EXPENSE FUND
COUSHATTA, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2013

Total Fund Balances for Governmental Funds (Exhibit C)	\$	42,898
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Total Net Position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:

Buildings and building improvements, net of \$3,663 in accumulated depreciation	\$	915	
Furniture, fixtures and equipment, net of \$8,294 in accumulated depreciation	\$	<u>888</u>	
Total Capital Assets			1,803

Long-term liabilities, including compensated absences payable, are not due and payable in the current period and therefore are not reported in the fund liabilities.

0

Total Net Position of Governmental Activities (Exhibit A)	\$	<u><u>44,701</u></u>
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THIRTY-NINTH JUDICIAL DISTRICT COURT EXPENSE FUND
COUSHATTA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

REVENUES	
Fees, fines and charges for services	\$ 17,506
Interest income	7
Miscellaneous	<u>0</u>
Total Revenues	17,513
EXPENDITURES	
General government	
Personal services	0
Travel	1,547
Operating services	12,376
Supplies	2,416
Professional services	2,500
Capital outlay	<u>1,110</u>
Total Expenditures	<u>19,949</u>
Excess/(Deficiency) Of Revenues Over Expenditures	(2,436)
Other Financing Sources/(Uses)	
Transfers (Red River Parish Police Jury)	<u>(27,000)</u>
Total Other Financing Sources/(Uses)	<u>(27,000)</u>
Net Change in Fund Balance	(29,436)
Fund Balance, Beginning of year	<u>72,334</u>
Fund Balance, End of year	<u>\$ 42,898</u>

The accompanying notes are an integral part of this statement.

THIRTY-NINTH JUDICIAL DISTRICT COURT EXPENSE FUND
COUSHATTA, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

Net Change in Fund Balances-Total Governmental Funds (Exhibit E) \$ (29,436)

The change in Net Position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$1,796) exceeds capital outlay (\$1,110) in the current period. (686)

Some expense reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. 0

Change in Net Position of Governmental Activities (Exhibit B) \$ (30,122)

THIRTY-NINTH JUDICIAL DISTRICT COURT EXPENSE FUND
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

The Thirty-Ninth Judicial District Court Expense Fund was created by an act of the Legislature of Louisiana during their 1980 regular session. The Fund began operating in March 1980. The judge of the Thirty-Ninth Judicial District, who is an elected official, has control over the Fund and all disbursements made therefrom. The Thirty-Ninth Judicial District encompasses Red River Parish, Louisiana.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This Codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of the Thirty-Ninth Judicial District Court Expense Fund present information only as to the transactions of the programs of the Thirty-Ninth Judicial District Court Expense Fund as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Thirty-Ninth Judicial District Court Expense Fund are maintained in accordance with applicable statutory provisions:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. Budgetary Accounting

Formal budgetary accounting is employed as a management control. The Thirty-Ninth Judicial District Court Expense Fund prepares and adopts a budget prior to July 1 of each year for its general fund in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the full accrual basis of accounting. The Fund amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. All budget appropriations lapse at year end.

C. Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

THIRTY-NINTH JUDICIAL DISTRICT COURT EXPENSE FUND
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Receivables

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

E. Bad Debts

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At June 30, 2013, \$0 was considered to be uncollectible.

F. Capital Assets

Capital assets are carried at historical costs. Depreciation of all exhaustible capital assets used by the Thirty-Ninth Judicial District Court Expense Fund is charged as an expense against operations in the Statement of Activities. Capital assets net of accumulated depreciation are reported on the Statement of Net Position. Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 10 to 40 years for buildings and building improvements and 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized.

G. Compensated Absences

Full-time employees of the Thirty-Ninth Judicial District Court Expense Fund earn ten days vacation leave and ten days sick leave each year after completion of at least one year of employment. Leave cannot be accumulated or carried over from one year to the next. Therefore, no liability for compensated absences has been recorded in the accompanying financial statements. The Fund had no employees as of and during the year ended June 30, 2013.

H. Restricted Net Position

In the government-wide statements, equity is classified as net position and displayed in three components:

1. Investment in capital assets, net of related debt - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributed to the acquisition, construction, or improvement of those assets.
2. Restricted net position - net position with constraints placed on the use either by a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or b) law through constitutional provisions or enabling legislation.
3. Unrestricted net position - all other net position is reported in this category.

THIRTY-NINTH JUDICIAL DISTRICT COURT EXPENSE FUND
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Fund Equity

In the fund financial statements, governmental fund equity is classified as fund balance and displayed in five components:

1. Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
2. Restricted - amounts constrained to specific purposes by either a) creditors, grantors, contributors, or the laws or regulations of other governments, or b) constitutional provisions or enabling legislation.
3. Committed - amounts constrained to specific purposes by the governmental entity at its highest level of decision-making authority (Judge). These amounts can not be used for any other purposes unless the government takes the same highest level action to remove or change the constraint.
4. Assigned - amounts that do not meet the criteria to be classified as restricted or committed that are intended to be used for specific purposes as established by the Judge or their designee.
5. Unassigned - all other spendable amounts.

The Judge establishes (and modifies or rescinds) fund balance commitments and assignments by passage of an ordinance or resolution.

The Judicial District Court Expense Fund typically uses restricted fund balances first, followed by committed, assigned and unassigned funds when an expenditure is incurred for purposes for which amounts in any of these fund balance classifications could be used.

J. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

A. Deposits with Financial Institutions

For reporting purposes, deposits with financial institutions including savings, demand deposits, time deposits, and certificates of deposit. Under state law, the Thirty-Ninth Judicial District Court Expense Fund may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the Fund may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

Deposits in bank accounts are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The deposits at June 30, 2013 were secured as follows:

THIRTY-NINTH JUDICIAL DISTRICT COURT EXPENSE FUND
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013

NOTE 2 DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (CONTINUED)

A. Deposits with Financial Institutions (Continued)

	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Total</u>
Deposits in bank accounts per balance sheet	\$ 40,403	\$ 0	\$ 40,403
	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Total</u>
Bank Balances (Category 3 Only, If Any)			
a. Uninsured and uncollateralized	\$ 0	\$ 0	\$ 0
b. Uninsured and uncollateralized with securities held by the pledging institution	0	0	0
c. Uninsured and uncollateralized with securities held by the pledging institution's trust department or agent but not in the entity's name	0	0	0
Total Category 3 Bank Balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Bank Balances (All Categories Including Category 3 Reported Above)	<u>\$ 40,403</u>	<u>\$ 0</u>	<u>\$ 40,403</u>

The following is a breakdown by banking institution and amount of the balances shown above:

<u>Banking Institution</u>	<u>Amount</u>
American Bank and Trust Company	\$ 40,403
Total	<u>\$ 40,403</u>

B. Investments

At June 30, 2013, the Thirty-Ninth Judicial District Court Expense Fund had investments of \$0.

NOTE 3 ACCOUNTS RECEIVABLE

The following is a summary of accounts receivable at June 30, 2013:

<u>Class of Receivable</u>	
Fees, fines and charges for services	\$ 3,000
Other	<u>0</u>
Total	<u>\$ 3,000</u>

THIRTY-NINTH JUDICIAL DISTRICT COURT EXPENSE FUND
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013

NOTE 4 CAPITAL ASSETS

A summary of the Thirty-Ninth Judicial District Court Expense Fund's capital assets at June 30, 2013 follows:

	Balance June 30, 2012	Additions	Retirements	Balance June 30, 2013
Buildings and Building Improvements	\$ 4,578	\$ 0	\$ 0	\$ 4,578
Less accumulated depreciation	<u>(3,205)</u>	<u>(458)</u>	<u>0</u>	<u>(3,663)</u>
Total Buildings and Building Improvements	1,373	(458)	0	915
 Furniture, Fixtures and Equipment	 8,072	 1,110	 0	 9,182
Less accumulated depreciation:	<u>(6,956)</u>	<u>(1,338)</u>	<u>0</u>	<u>(8,294)</u>
Total Furniture, Fixtures and Equipment	<u>1,116</u>	<u>(228)</u>	<u>0</u>	<u>888</u>
 Total Capital Assets, net	 <u>\$ 2,489</u>	 <u>\$ (686)</u>	 <u>\$ 0</u>	 <u>\$ 1,803</u>

NOTE 5 ACCOUNTS PAYABLE AND ACCRUALS

The following is a summary of accounts payable at June 30, 2013:

<u>Class of Payable</u>	
Vendor	\$ 505
Total	<u>\$ 505</u>

NOTE 6 RETIREMENT SYSTEM

The Thirty-Ninth Judicial District Court Expense Fund had no employees as of and during the year ended June 30, 2013.

NOTE 7 LEASES

The Thirty-Ninth Judicial District Court Expense Fund was not obligated under any capital or operating lease commitments at June 30, 2013.

NOTE 8 LITIGATION

There was no outstanding litigation against the Thirty-Ninth Judicial District Court Expense Fund at June 30, 2013.

REQUIRED SUPPLEMENTARY INFORMATION

THIRTY-NINTH JUDICIAL DISTRICT COURT EXPENSE FUND
COUSHATTA, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Original/Final Budget	Actual	Variance Fav./(Unfav.)
REVENUES			
Fees, fines and charges for services	\$ 16,900	\$ 17,506	\$ 606
Interest income	100	7	(93)
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	17,000	17,513	513
EXPENDITURES			
General government			
Personal services	0	0	0
Travel	250	1,547	(1,297)
Operating services	8,250	12,376	(4,126)
Supplies	2,000	2,416	(416)
Professional services	2,500	2,500	0
Capital outlay	<u>0</u>	<u>1,110</u>	<u>(1,110)</u>
Total Expenditures	<u>13,000</u>	<u>19,949</u>	<u>(6,949)</u>
Excess/(Deficiency) Of Revenues Over Expenditures	4,000	(2,436)	(6,436)
Other Financing Sources/(Uses)			
Transfers (Red River Parish Police Jury)	<u>(30,000)</u>	<u>(27,000)</u>	<u>3,000</u>
Total Other Financing Sources/(Uses)	<u>(30,000)</u>	<u>(27,000)</u>	<u>3,000</u>
Net Change in Fund Balance	(26,000)	(29,436)	(3,436)
Fund Balance, Beginning of year	<u>72,334</u>	<u>72,334</u>	<u>0</u>
Fund Balance, End of year	<u>\$ 46,334</u>	<u>\$ 42,898</u>	<u>\$ (3,436)</u>